



DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



Standard Financial Information Structure

Proposed Logistics Data Exchange

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Outline

Background

Current Status

Approach - Carry All SFIS Data in Transactions

Alternative Approach - Referential
Data/Master Data Capability

Next Step



Background

- **Goal:** Provide capability for logistics supply and financial systems to exchange SFIS data in the “Target” environment where DFAS systems are retired and ERPs are doing financial processing.
- **Current Process:**
 - Appropriation chargeable for Interfund logistics transactions is derived referentially from the authoritative source “Fund Code to Appropriation Conversion Table” updated by the Components/Agencies and maintained at DLA Transaction Services (formerly DAASC).
 - Provides the concatenated Department Code (2 digits), Fiscal Year Chargeable (1 digit), Basic Appropriation (4 digits) and Limit/Subhead (4 digits).
 - Uses the Service Code (first position of the bill-to DoDAAC), Signal Code and Fund Code carried in logistics supply/financial transactions
 - “Single Source of Truth” for all logistics Interfund transactions.
 - Approximately 3,600 Fund Codes today.
 - Approximately 5B logistics transactions and \$47B in Interfund bills per year.



Background Cont.

- **Logistics Transactions:**

SFIS data cannot be transacted in the 80 record position MILS transactions, but can be in modernized Defense Logistics Management (DLMS) transactions. Some systems, such as DFAS systems are not DLMS compliant, and have no plans to become so. Fund Code must be retained in a mixed MILS/DLMS environment.

- **DLMS Change Process (Per DoD 4000.25-M):**

- Proposed DLMS Changes (PDC's) staffed with Component/Agency Process Review Committee (PRC) Representative for review/coordination of Component/Agency comments
- Approved DLMS Change issued to implement process/policy change

- **Early Coordination:**

- DLA Logistics Management Standards Office initiated discussions with BTA in 2007 and held subsequent meetings, including PRC meetings/presentations
- DLMS/BTA working group Draft PDC 365 presented to Supply/Finance PRCs in 2009



Current Status

- **PDC 365** staffed for Component/Agency review/comment - 60 days.
- Proposed SFIS Elements:
 - Department Regular Code
 - Department Transfer Code
 - Period of Availability Fiscal Year Date
 - Main Account Code
 - Sub-Account Code
 - Treasury Sub Class
 - Business Partner Number
 - Limit/Subhead (Legacy for transition)
- Contains two approaches
 - Carry above data elements in DLMS
 - Use referential Data/Master Data based upon Fund Code



Carry All SFIS Data in Logistics Transactions

- **Concept:** Carry all SFIS data elements in logistics transactions generated from user profile and cost object data within ERPs.
- **Advantage:** Transactions would contain all SFIS data.
- **Disadvantages:**
 - DoD buyers will have to know all SFIS information and to accurately provide that information to sellers for logistics transaction initiated outside of Component ERPs. This will impact transactions initiated through offline applications, such as emergency call centers, and those initiated through internet ordering applications, such as eMALL, GSA Global and GSA Advantage. ***This may increase the opportunity for human error, for rejected transactions, for unmatched financial transactions and may adversely impact financial eliminations. Warfighter may be impacted.***
 - There is a cost to reconfiguring systems.



Carry All SFIS Data in Logistics Transactions

- **Disadvantages Continued:**

- In the “Target” environment for this change, it is assumed that DFAS legacy systems will be retired and ERPs will be used for bill processing using SFIS data elements. This will require a transformation of the Interfund process to include ultimately changing the Summary and Detail bills, which rely on fund code association for linkage.
- Fund code cannot be retired until all DoD trading partners are DLMS compliant in the “Target To-Be” environment. This will result in a dual system in the extended interim environment.
- The scope of this change and number of impacted systems makes coordinated universal implementation impractical.
- Additional data content may be a concern for Navy ships and operational units deployed to austere locations with bandwidth limitations.



Referential Data Approach

- **Concept:** Add all SFIS financial data elements to Fund Code Table. Carry BPN in transactions.
- **Referential Data Examples:**
 - **Military:** DoDAAC, NSN, Fund Code, Routing Identifier Code (RIC), Military Assistance Program Address Code (MAPAC), BPN (SFIS), Agency Accounting Identifier (AAI - SFIS), Unique Item Identifier
 - **Civilian:** Product SKU, Credit Card, Social Security Number, Driver's License Number
- **Advantages:**
 - Similar referential data approach has been approved for Procurement ([OSD Memo Mar 18 2009 - Linking Financial Data to Contract Documents](#))
 - 'Single Source of Truth' or Master Data ensures that SFIS data elements are always synchronized among all trading partners
 - Eliminates potential for human error for individual SFIS data elements resulting in rejected transactions, unmatched financial transactions and financial elimination issues



Referential Data Approach

- **Advantages Continued:**

- Supports Warfighter Operations, including transactions initiated outside of ERPs
- ERPs/AIT Systems must carry Fund Code in interim environment. No additional programming/costs.
- Allows non-DLMS compliant systems to get SFIS data now

- **Disadvantage:** There is a finite number of Fund Codes (1296 for each Signal Code Service Designator combination). As part of the PDC staffing Components/Agencies must ensure that sufficient fund codes are available.



Next Step

**Receive Component/Agency initial comments for PDC 365 by
14 Jan 2011**